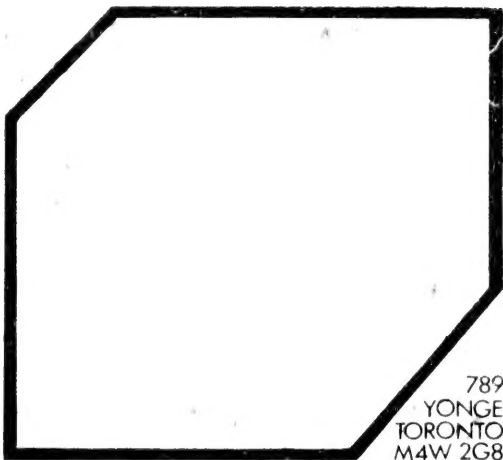


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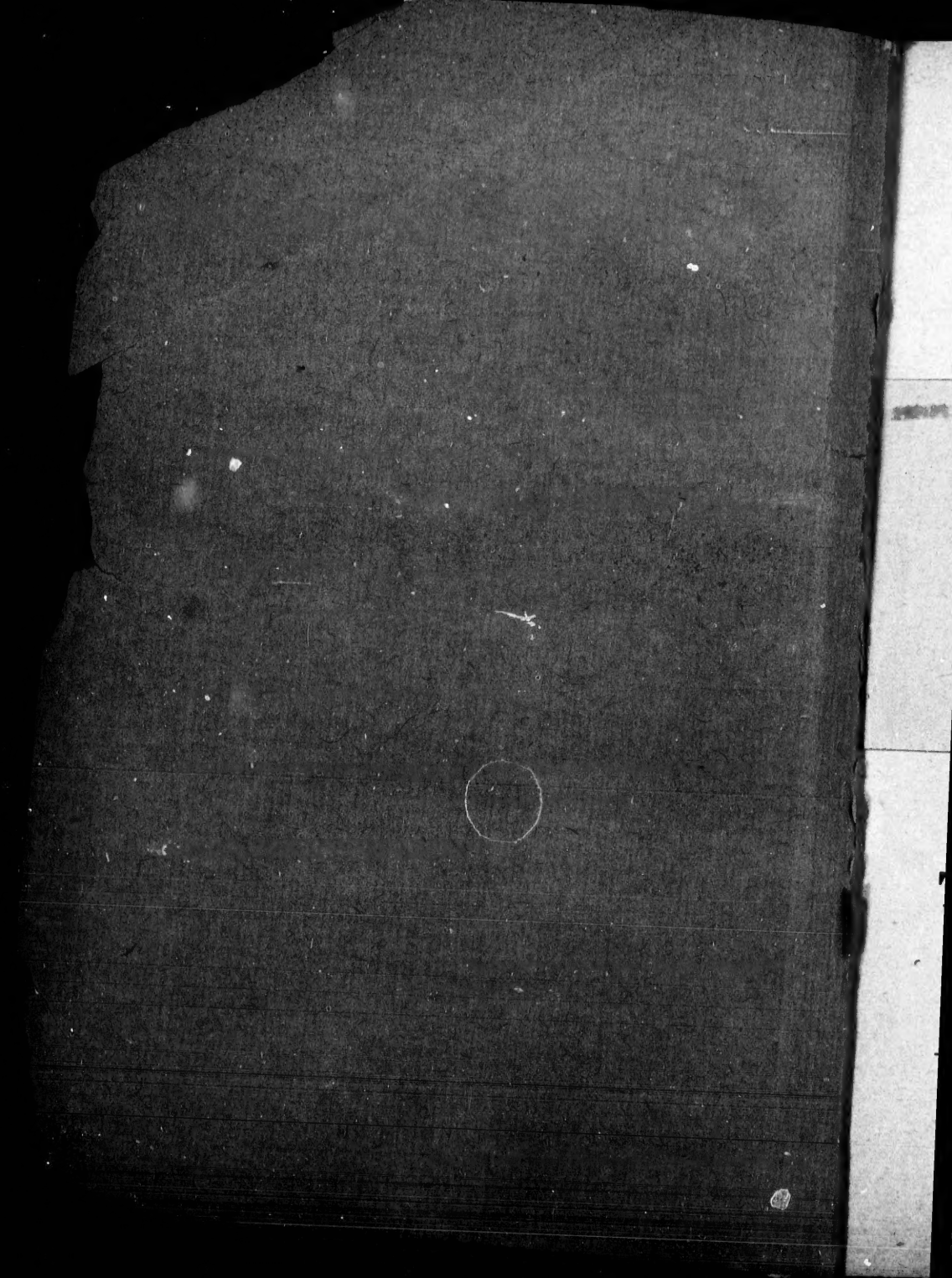
SOME OF CANADA'S
TROUBLES
—AND A WAY OUT.

Direct Taxation

A Voice From a Wilderness.

The Panacea in a Nut Shell.

By ROBERT DOUGLAS, Wroxeter.



DIRECT TAXATION

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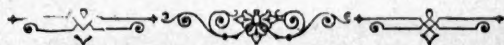
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DIRECT TAXATION



A VOICE FROM A WILDERNESS.



*SOME OF CANADA'S TROUBLES
AND A WAY OUT.*



The Panacea in a Nut Shell.



By ROBERT DOUGLAS, Wroxeter.

EXPOSITOR PRINT, SEAFORTH.

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*Some of Canada's Troubles and a Way Out ;
The Panacea in a Nut Shell.*



For any sensible Canadian to advocate Direct Taxation at the present time, for Dominion Government, would be little better than a voice crying in a wilderness. Nevertheless, the writer of this pamphlet is bold enough to try to utter his cry, and show to Canadians and others, who may need a change of taxation system, one way of direct taxation suitable for Canada at least, and how she could derive a goodly revenue without injustice or wrong being done to any, with absolute Free Trade and freedom from the burden of our national and individual mortgage debts in twenty years from to-day, and that what is needed to accomplish this is to

" FEAR GOD AND KEEP HIS 'COMMANDMENTS.' "

Believing, like most men, that Direct Taxation and Free Commerce are fundamentally right, we are morally bound to try and find out the best and right plan. In order to do so we must consider well, and so arrive at correct conclusions regarding Rulers, Government, Land, Money and Taxation. There is a fundamental principle underlying each which we must not disregard. If we do not build our superstructure upon them, the results will be troubles endless, individual and national.

At this juncture of affairs, Canada needs, more than ever, to consider her ways. There are two roads for travel in the future. The one Right, the other Wrong. The one has a true, sound foundation ; the other a false, rotten one. The time is opportune for all Canadians to think out for themselves and to come to clear conclusions on all important matters. As regards taxation, it is either Tariffs or Taxes, Slavery or Freedom.

Canada's present troubles are : many bad moral rulers, many big bad governments, many big bad debts, National, Provincial, Municipal and Individual, with one notable exception, a nation's.

"RULERS MUST BE JUST, RULING IN THE FEAR OF GOD."

Many of our rulers have, it is to be feared, ruled much, not in the fear of God, especially during the past seventeen years. Truth compels it to be said bribery in the past on a large scale has been practised. Bribery of Individuals, Corporations, Provinces, and the Dominion itself, with its own money, a mutual bribery society, well equipped with well paid experts—and expert at evading punishment. Robbery by protection has been reduced to well defined systems and so made compulsory. The few made exorbitantly rich through the operation of the statutes, the many poor by the same operation, not only poor, miserable and destitute, materially, but blinded morally as well, which is infinitely worse—how much none can tell. Bribery and legal robbery are not only themselves immoral but the natural fathers and generators of immorality, the one thing that must be dethroned or it will dethrone all others.

Her governmental machinery is out of all proportion to her needs. Her debts are large, numerous and oppressive—every day becoming more so. If not stopped, and the borrowing system not changed for the better, where will, or where can, it end but in financial ruin and moral wrecks innumerable. It is inevitable. Oh ! for some magic wand to relieve and free her from the crushing load of debt which she has voluntarily laid upon her own shoulders by borrowing from outside this Canada of ours. If we don't change our system to the right, Canada will soon belong to others.

Borrowing from outsiders is in violation of nature's laws, of a sound principle, and of the direct command to the chosen people,

"THOU SHALT LEND UNTO MANY NATIONS, BUT THOU SHALT NOT BORROW."

Our system of trafficking in land is a violation of nature's law, of a sound principle, and of the Divine command,

"THE LAND SHALL NOT BE SOLD FOREVER, FOR THE LAND IS MINE."

Our money system and having gold for its standard is a violation of nature's law, and of a sound principle. Our system of taxation by tariffs is a violation of nature's law, and of a sound principle. Our system of having a plurality of rulers who can do no wrong, is a violation of nature's law, and of a sound principle. Nature's laws are God's laws. "The king can do no wrong" is not a meaningless or defunct theory. It is a good theory and a good practise. A limited monarchy is the best form of government the world has yet seen, but we Canadians have spoiled both the theory

and the practise by having one for the Dominion and one for each Province, and hence trouble and expense manifold and unnecessary, and will be until we turn from our "evil ways" and abolish every one of them.

God is the Supreme Ruler of the nations. For each He has one representative whose duty it is to see that laws, in harmony with his will, are put on the statute book and kept in operation—not contrary to justice and equity between man and man—and that none of God's creatures committed to his care are oppressed or wronged or demoralized by injustice, which is immorality of the deepest dye. The one representative theory and practise is Britain's, with good Victoria (Queen is merely incidental,) who can do no wrong. If wrong be done it is done by the advisers and counselors chosen by the people from whom the Prime Minister is chosen. The Sovereign is responsible to the people and to God alike, for choosing the Prime Minister and ministry, and for their good conduct. He signs the decrees which makes them binding.

Our over-fondness for royalty's show and glamour has blinded our eyes and kept us from seeing that we have been violating the fundamental principle, viz.:—That a nation or empire can have only one Sovereign or chief ruler, who can do no wrong.

The British Empire is not confined to little Great Britain. She has many dependencies, all of which are part of the Greater Britain. The Dominion of Canada, the eldest daughter, is one of them, and has Sovereign number two, with a good dowry and a grand domain, and self-government to her almost satisfaction, without any tribute being exacted or bargained for in order to keep the empire intact. Her inheritance is a Dominion from ocean to ocean, so large she does not know how to preserve it and use it to the best advantage.

In order to keep the link unbroken and harmony prevail between the Sovereign mother and daughter, the Sovereign sends one to represent him; one who is in accord with him on the leading principles of his government, justice and equity, and who will worthily represent him. A band of noble, God-fearing men they have proved to be; able men of good moral character. Our blinding mistake is, we give them homage and exalt them so high that they can do no wrong. How humiliating and wrong it is virtually, to make him attach his signature to such decrees as our Dominion Franchise and Re-Distribution subterfuges and protective tariffs—the very purpose of which was, and is, self-aggrandisement of the few and oppression of the many, and so contrary to the spirit and

practise of the empire. Such things would not be tolerated in the mother's moral plane. Let such an anachronism cease. Let us, by all means, have a representative or Governor-General, but give him something to do besides making the decrees legal by his sign manual. Give him some responsibility along with the connecting link. Let him choose the Premier as now, and be satisfied with the ministry, but let him preside over the council, and full liberty if he choose to use it, and power to move any line of policy, and reason like other men.

Canada has Provinces many, and many more in embryo waiting for Sovereigns. Sovereign peoples only, it is to be hoped. Each Province is given a Sovereign. We have numbers 3, 4, 5, 6, 7 and 8, each with royal retinue and equipage, each of whom can do no wrong. If the principle be good and fundamental why stop at the Provinces? Give each county and municipality one, and then the thing will be complete—but a complete humbug—and that is what all violations of fundamentals lead to.

“IF THE FOUNDATIONS BE DESTROYED WHAT CAN THE RIGHTEOUS DO?”

He who was only an adviser and counsellor in the mother land when he comes here ceases to be one. Once a wise counsellor, he should never cease to be one. We always want and need a wise one. The parent ruler or Sovereign is the first in our empire and is by inheritance. Government is ordained of God. The Dominion and Provinces are each a step removed. Nature calls for modifications of the powers. Why have eight or nine veto powers when we have only one last source of appeal? Take away this veto power but not the connecting link. Retain the power to dismiss the ministry when they go contrary to justice or would destroy the harmony which the representative is sent to maintain. Give him something better to do than while away valuable time by holding a ceaseless, costly round of royal, extravagant, meaningless parade of court gaiety, when his “princes eat in the morning and not in due season, for strength and not for drunkenness” Give him the opportunity to veto wrong legislation in the bud at the council table, and not after the bribed M. P.'s have done their dirty work in the name of an outraged people. He is there in the name of God to stand between good citizens and wicked rulers. If this principle had been in operation those many years back, what a different state of matters would have existed in our noble Dominion. Not a known briber, boodler, promise-breaker, drunkard, profane or unclean person, nor one who would say he would bribe again if he had the chance, would have dared to aspire to hold office in the

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Dominion government. Not one Lieutenant-Governor "who can do no wrong," with all their paraphrenalia and costly establishments, nor protection to infants and adults alike, resulting in millionaire moral monstrosities, would have existed. Would not seven or eight ministers do better than seventeen or eighteen? The likelihood is that the Senate and Legislative councils would have been abolished, all of which, put together, are of no practical good, but bills of expense. Neither would there have been so many costly appeals to bother and bamboozle the Privy Council and ourselves, afterwards. Canada would have prospered beyond all conception. There is something most needful to be done in lessening and purifying our governmental machinery. If we were quit of Godless rulers and the sinful tariff system, what would 215 M. P.'s find to do? Half of them could be dispensed with, to the great advantage both of representatives and represented.

"THOU SHALT PROVIDE, OUT OF ALL THE PEOPLE, ABLE MEN SUCH AS FEAR GOD ; MEN OF TRUTH, HATING COVETOUSNESS."

"HE THAT RULETH OVER MEN MUST BE JUST, RULING IN THE FEAR OF GOD ; AND HE SHALL BE AS THE LIGHT OF THE MORNING WHEN THE SUN RISETH, EVEN A MORNING WITHOUT CLOUDS, AS THE TENDER GRASS SPRINGING OUT OF THE EARTH BY CLEAR SHINING AFTER RAIN."

"WOE TO THEE, O LAND, WHEN THY KING IS A CHILD (SLAVE) AND THY PRINCES EAT IN THE MORNING. HAPPY ART THOU, O LAND, WHEN THY KING IS THE SON OF NOBLES OR A FREE MAN, AND THY PRINCES EAT IN DUE SEASON FOR STRENGTH, AND NOT FOR DRUNKENNESS."

Brother Jonathan, the prodigal son, would do well to have a chief ruler who could do "no wrong." To have had one in these times would have prevented his recent humiliation in the eyes of the civilized world, and now in his own best eyes. Well would it be if he would, of his own accord, come to himself and return to the parental roof. He would be welcomed. A fatted calf would be killed, because it would be meet to rejoice at the return of the wandering son.

Next to rules and government comes

THE LAND QUESTION,

which is not well understood by many. Canada has acted, in a measure, on the true principle, by giving land to the settler, but

only in a measure ; a half truth is unsatisfactory ; a half measure unsatisfying. She has been selling rather than giving a portion of her INHERITANCE, to all who applied, but makes them pay for it, unless in exceptional free grants, but these are only to coax people to settle down in rough places. She has been giving, rather than selling, as the case may be, large blocks, choice lots, to speculators who can and do keep them idle, to the hurt of others, until they can sell them and make money out of the settlers to whom they have to be sold if ever they are to be worth anything either to the speculators or the settlers. In so doing she has violated a fundamental principle, viz.: That land belongs to us naturally and individually, by inheritance and not by purchase.

“EARTH HATH HE GIVEN TO THE SONS OF MEN”

Everyone must have a portion to be buried in when he dies, and a portion when he lives whereon to lay his head, and should have a portion to call his, to sit under his own vine, so as not to be afraid of any, and none afraid of him. If in a city, as much as will be suitable for a home and place of business. If in the country parts, as much as will be a suitable farm, or other things according to his capabilities or desires, if within reason. Land is different from other commodities. He can neither add to nor diminish the quantity. Not so with houses, food, clothing and other things. Land is a gift from the Divine, provided for all, as freely and as necessary as God's Son is a Divine gift provided for all, and which none can afford to be without.

Gifts imply obligations.

“A GIFT IS PRECIOUS, WHITHERSOEVER IT TURNETH IT PROSPERETH.”

Possessors of land must render taxes to Caesar for the land they possess. It is a necessary obligation for its government and protection ; a natural obligation or redemption ; a pledged condition. They have no right to hold or possess it without paying the obligation—the redemption price. Otherwise they must be treated as aliens, unworthy of having a possession. This is imperative—as much so as we must use God's second great gift. When we are possessors of it, our obligations, to serve him as directed, are imperative. Without being possessors of it we are aliens and outcasts, unfit—not for time—but for eternity.

“AND IN ALL THE LAND IN YOUR POSSESSION YE SHALL GRANT A REDEMPTION FOR THE LAND.”

The redemption price, applicable to us, I take to be the annual

obligation necessary for its protection and government.

If Canada had acted according to the Divine laws, as given from Sinai to the chosen people—and to us through them—well would it have been with her to-day. If she would only begin now and observe them, well it would be with her indeed. If she did, public immorality among rulers would cease, our statutes freed in great measure from their worst features, and morality, instead of immorality, would be encouraged among all classes. Tariffs would cease. Politics purified. Taxes of Dominion government direct and reduced to a mere fraction. Our mortgaged debts no burden, but a blessing to the government, with Free Commerce, the international law of God, with its benign influences thrown into the bargain.

“SEEK YE FIRST THE KINGDOM OF GOD AND HIS RIGHTEOUSNESS,
AND ALL THESE THINGS SHALL BE ADDED UNTO YOU.”

The land question may seem a big, difficult question to put right. In reality it is not so. The extent and difficulty arises solely because we have violated God's natural and revealed laws. Let us cease our violations and the difficulties will vanish. The fundamental violation is in trafficking in bare land at men's estimated valuations. We must cease this business and get on the right road if we want to reach the right destination.

The land is a Divine gift direct to man, priceless beyond human computation. We must treat it as such, and as such we ought to use it. Divine gifts are not to be trifled with or trafficked in, but used in accordance with the expressed command of the Giver. A man who “believed and was baptised,” and “bewitched the people,” once tried to purchase a Divine gift with money. It was said to him, “Thy money perish with thee, because thou hast thought that the gift of God may be purchased with money. . . . Thy heart is not right in the sight of God. Repent, therefore of this, thy wickedness. . . . Thou art yet in the gall of bitterness and bond of iniquity.” It was futile and contrary to the Divine order of things for Simon to attempt to purchase the gift of healing for the body—the end aimed at—much less to gain eternal life. It is equally futile and contrary to the Divine order of things to think, or imagine, that by trafficking in lands, and so making them dear, will heal the body politic—the end aimed at by good socialists, and by some who believe and are baptized who uphold the foundationless and bewitching unearned increment theory—who would value all land by competition and make that the basis of taxation. We must use it as a gift and in the way outlined by the

Giver, and it will be a great healer of the body politic, as well as an incidental healer of individual selfishness. Men think they and the nation can be made rich by such trafficking—buying and selling city lots and country blocks by holding them vacant and unoccupied. There is no more reality in it than in the bewitching sorcery of Simon Magus. It is as vain to expect to be made rich nationally by relying on this broken reed, as to expect to be made rich and prosper individually in the higher sphere by relying on anything else than on God's second great gift to man, the atonement for our sins. There is a first atonement, as well as a second atonement, for human ills. What or how much richer is the owner of a city lot, if, say one acre is valued at \$100,000, or say a few acres at \$1,000,000? It adds no riches or real wealth whatever, but tends to poverty, for the simple, manifest reason that so much more capital is required to hold the lot or acres. To hold them long vacant is impossible, because nothing comes from them to pay taxes, much less live upon. Only one can be in possession at a time. It matters not to the State who, provided he be a good citizen and makes good use of his lot. The more successful he is in business the better for all. If the possessor is to carry on a profitable business he requires expensive buildings, and enormous sales are a necessity, and low prices are a necessity to induce sales. If profits were charged on the goods sold adequate to meet the interest on invested capital, sales would be so much curtailed that he could not continue in business. He is forced to compete, and to compete adfinem, because his neighbors have to do the same; they are in the same plight. They try all means, fair or foul; are driven to it to increase sales, at all hazards—even at the expense of country merchants and store-keepers, whose legitimate trade they try to take from them, and they do it to a large extent. Wholesale merchants scour the Dominion, overlap each other's territory and cut each others' throats in the competing struggle for business and to live. Where can such a system lead but to ruin, sooner or later, and when will it stop if a change is not made? Never! Despair only is left. This is the radical disease. A radical disease needs a radical remedy. Is there a remedy? Certainly. There is no dilemma a man or a nation may be in but there is an honorable way out. The remedy is in the old book:

"TURN YE, TURN YE FROM YOUR EVIL WAYS, FOR WHY WILL YE DIE?"

The remedy is this: Cease adding our values to the land for taxation purposes. The cost of buildings and improvements are known. They require so much and so many conveniences which

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are beneficial and common to all in the municipality, let each citizen pay for municipal government in proportion to the benefits received—as near as can be ascertained—taking cost, kind and position into consideration. The assessing, then, would be comparatively easy and just about correct, when the land, further than its extent, did not enter into the assessment at all. There would then be no inflated assessments to complain of. The assessments would be much lower and the rate higher, which would be much better than inflated assessments with lower rates. The latter blinds and deceives. The former opens the eyes; there is no deception; the naked truth is plain. Who are benefitted by high assessments? No one. Who are benefitted by competing for and thus making land dear and high in price? None but the one who makes gain out of it without working for it, and him it impoverishes, as well, until he sells it at a profit.

Is it right, or a sound principle, to mortgage real estate to outside individuals or companies? Certainly not. It is an unsound principle, and fundamentally wrong; practical disloyalty. If one may all may, and, if they do, then the whole country is pledged to others, who have us by the throat. "The borrower is servant to the lender." In our case servant means slave. If the thing goes on, as it has been doing, much longer we will soon be all slaves; the country will belong to others. Is there a remedy for this? Most assuredly. Simply cease from the wrong-doing, and do the right, prudent thing. The remedy does not need to be bought, thank God. It is in our hands—a gift; nay, a right. It is this: Transfer, one by one, our present mortgages on real estate, as they fall due, to our own government, giving the same security we now give to the outsider. Pay our government a small interest, say 2%, as long as you like, and, the security remaining good, it will come to be a large source of revenue, and the borrower will save the difference between what he pays now and the 2%. This is no utopian plan, nor the foolish dream of a dreamer, or the observation of a crank. It is a sound principle, and right; the safest and most economical possible.

If we don't do the right we must pay the consequences—reap as we sow. We know what we have sown and what we are reaping, and the reaping is not through yet. If we would begin, even now, and do the right, we would reap a rich reward. By the adoption of this plan, in five short years our individual mortgages on real estate would virtually be wiped out.

In the neglected Old Testament there is a most instructive ex-

ample and object lesson for us, how the ancient chosen people got deliverance from their mortgage dilemma. In the time of Nehemiah, upwards of four hundred years before Christ came, the Prophet tells us, "And there was a great cry of the people and of their wives. . . . We have mortgaged our lands, vineyards and houses. . . . We have borrowed money for the king's tribute, and that upon our lands and vineyards. . . . And, lo ! we bring into bondage our sons and daughters to be servants, and some of our daughters are brought unto bondage already, neither is it in our power to redeem them, for other men have our lands and vineyards. And I was very angry when I heard their cry and these words. Then I consulted with myself and I rebuked the nobles and the rulers, and said unto them : ' Ye exact usury, every one of his brother,' and I held a great assembly against them. And I said unto them, ' Will ye even sell your brother ? or shall they be sold to us ?' Then held they their peace and found nothing to answer. I pray you, let us leave off this usury. Restore, I pray you, to them, even this day, their lands, their vineyards and their houses, also the hundredth part of the money, and the corn, the wine and the oil that ye exact of them. Then they said, ' We will restore them.' . . . And the people did according to this promise." Here is a precedent from the "Mother of Nations" exactly suited to our circumstances, and perfectly applicable, which would deliver Canada from her crushing load of mortgage debts.

Canada has many Nehemiah's who are busy building the walls over their own Jerusalems, but why are they not helping directly to build the walls of our national Jerusalem at the same time ? There is great need. What hinders but the will ? And what hinders the will ? Can it be neglect of duty ? Can it be for want of consideration, or consulting with themselves, or want of moral courage ?

Surely there must be seven thousand who have not bowed the knee to Baal—Protection and Reciprocity of Tariffs—Evil for Evil, "The International Law of the Devil." How many of our Nehemiahs will answer as did good, courageous Nehemiah of olden times ? "Then answered I them and said unto them : The God of Heaven He will prosper us ; therefore, we, His servants, will arise and build."

THE MONEY QUESTION

seems to be as little understood as the Land Question. Almost all men seem to believe that gold is the best standard of money, and the only sound money ; and that paper money, in order to be safe,

must be secured by gold or have a gold basis. It is a mistake to suppose that gold is money's standard, or that gold is the soundest—or sound—money. What is money? and what is money's standard? Money is wealth. Wealth is the product of labor. There is no human wealth without labor or work. Labor is our wealth, and its only basis. Our current Canadian money is national, and is—or ought to be—the surplus results of the community's labor put into a convenient cheap form for commerce; some one thing that will buy and sell, at market price, any and every commodity the result of everybody's labor. Cheapness is essential. To have a gold medium, costing its full face value, adds all its cost to the medium, consequently adds as much to the labor. All men labor in some shape or other, but all men do not create the current money. A great many are only exchangers of it. Those who create money are those who produce or make needed articles more than they consume. What they don't consume they sell, but how could they sell if there was no national money? They would have to barter, as of old, or deposit their new goods with the government. But the government could do nothing with them, hence money must be resorted to. The government should issue all the money, make it legal-tender lawful money, have a fixed rate of interest when they receive money on deposit and lend it out,—and lend it they must in order to be able to pay interest. The rate of interest, when deposited and loaned, is its value, its national standard value.

Governments which issue and make legal all money—receiving it on deposit and loaning it again, in order to pay interest and principal—should lend only on real estate for safety, that from whence it sprang—real estate—being the only stationary, tangible result of labor. This is sound money; the soundest possible. The results of labor being so numerous and varied, nothing but a national promise, based on real estate—the result of labor—can represent them. That one thing, mother Britain says, is gold. Canada, the daughter, in her ignorance—and to her hurt—says amen to it. Our current Canadian money, being national, is or ought to be as much and truly the results of our labor as our improved lands, houses, goods and chattels are. This must be clear to all. The standard is in the labor—we must find it there. It should be no more difficult to find the best standard than to find the best standard of other things. Money is all commodities in one, has two qualities or positions—active and passive—active when used in commerce, passive when deposited with the government, as far as the depositor is concerned. When used in commerce, doing its

Almost all money, and to be safe,

busy, every-day work, it must bear, or be worth, its face value. That is essential. A dollar must be a dollar all the time and everywhere, and is its active-standard. When deposited with the government it must bear interest, that is, its worth its passive standard—the real standard its worth—the standard by which it can be bought and sold—and ought to be fixed by statute, and unchangeable except by statute.

What is a standard? A standard is something established by Sovereign authority as a rule by which articles are to be weighed, measured, bought, sold, or valued. The grain standard is so many gallons or cubic inches to the bushel. The cloth standard so many lineal inches to the yard. The metal standard so many ounces to the pound or pounds to the ton. The measure, the capacity, the weight. The money standard is the interest it bears—its value, its measure, its capacity. The gold sovereign or the gold dollar is no more the standard of money than the bushel of wheat is the standard of the bushel. The wheat fluctuates, but not the bushel which is fixed by government. Gold fluctuates, but the interest should not; it should be fixed by government. A standard is an imaginary immaterial essence of our own choosing, but tangible, and must be fixed at some point. All goods fluctuate, gold included. They are all subject to the universal law of supply and demand. But the standards do not fluctuate. The national standard of money should be fixed at the most suitable point, to meet our individual and national circumstances of labor, and that should be no more difficult to find than the most suitable capacity or measure of the bushel or the yard. Money being national, and its standard fixed by statute, men would know what they were doing when buying and selling, borrowing and lending. They could count with as much certainty what money would be worth a month, a year, or ten years hence, as they can count upon the capacity or measure of the bushel or yard stick. There would be no more fluctuation in our national money standard than any other standard. When money was in any one's possession they could lend or sell it at what they choose, as well as other things. Governments only—and not a few bankers—should issue the money and put its imprimatur upon it, and the interest it should bear, when deposited and loaned, should be equal, minus its cost and management. It is a costly mistake to have gold money, and a halucination to suppose that gold is money's standard.

Gold fluctuates, and would fluctuate downwards very quickly and very much, but for the demand for it for money purposes by so

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many, or all civilized nations and governments trying to make it the standard.

Men seem almost to worship gold. It is the god of this world to many. Their eyes are blinded to the fact that gold is not money, nor money's standard, but only a costly medium. Different mediums have been used in the past history of the world. The first, or nature's money—the cheapest but the most inconvenient—was barter, and suited to the most crude state of society. Next came pieces of metal of different kinds, shapes and sizes. Then stamped coins and, in straitened circumstances, pieces of wood, leather, and pasteboard have been used. Then coins of gold, silver and copper, and stamped paper promises, with metal for the standard. Sometimes the paper became almost worthless by not having proper security behind it. Gradually the paper increased in volume in proportion to the metal. It also improved in its security in the shape of unlimited and limited liability of bank shareholders, and keeping so much gold in reserve to meet its promise of gold if demanded. These, in their turn or different stages, were each suited to a higher state of society than previously existed. The last stage is what prevails now, gold and silver the minor part but still the metal standard,—Canada has no gold coin—promissory paper the major part. The great bulk of commerce is, of necessity, done by paper of various kinds, bills, drafts, cheques, orders, receipts; and a great deal of the business is done simply in faith in the honesty and ability of those whose names the paper bears. The bank and Dominion Government bills are said to be payable or redeemable in gold, but there is not a tithe of the gold available. This blind, foolish, ruinous, immoral conduct might be pardonable in a half civilized community or country, but not in a Christian one. The next stage—and it is loudly called for—will be paper, the major part as now with it as the standard money, coin the minor part for convenience only. The Christian paper money will be honest, sound money. It will not be a promise to pay in gold, a promise which, in the nature of things, cannot be fulfilled, because there is not enough of it, and, if there was, it would not be used, because it is such a costly and awkward medium—so much so that it cannot be used for a thousandth part of the country's business—but a promise on paper that a dollar is a dollar, guaranteed to purchase or sell, at its face value, any and every article, any and everywhere and at all times in the Dominion. The promise will not be the dollar, for you have it in possession, but the yearly interest the dollar will bear or be worth when loaned to and by government. The money here advocated is always and all

backed up to double its issue with real estate, which is the best and soundest possible basis of money, and most suitable to our day and generation, and in harmony with enlightened Christianity.

It is more difficult to convince some wise men than the more ignorant that the gold standard theory is a halucination, and tends to make us poor, and not rich. Most men tell us they don't understand the currency question, that they have never thought much about it, and that only able financiers are able to understand and grapple with it. They never call into question the correctness or otherwise of the theory—just take it for granted it is right. They seem to think, although never affirm as far as I know, that gold is sound money, not even President Cleveland. They must get out of this venerable rut and on the rock of truth. Gold is bad money, because of its costliness. Rather, it is not money, nor money's standard. Its costliness and awkwardness condemn it, but its greatest condemnation is, it is not wealth, neither the basis of wealth. Labor, only, is wealth and its basis. To make a standard of any metal in place of a promise is wrong, and should not be legally right. Why make a standard of a different nature and material from the legal, lawful, every-day money of the country. To have a metal standard and lawful paper money is confusing, "Confusion worse confounded." It is like the image in the king's dream, whose feet and toes were part of iron and part of clay, whose fate was to be broken to pieces, "together with the brass, the silver and the gold, become like the chaff of the threshing-floor," and will be driven away.

Each country has its own government, rulers, laws, labor, laborers, money, goods and chattels, and should have its own money standard as well as anything else that is distinctively national. Why adopt the money standard of another country, to our hurt, any more than anything else unless it be right and profitable? And why break another fundamental in money matters, by borrowing from another country to our hurt, and so make ourselves tributary servants or slaves to the tune of \$25,000,004 yearly for interest? This is the money price we are paying for our loyalty, all unconscious it may be. To an equal extent we are disloyal to ourselves. Our old mother has us by the nose yet, through her obeying and us disobeying the old command. We thought to make ourselves rich by borrowing, but we are just beginning to find out our mistake; how we have been caught in our own snare. We are also slowly finding out how we have been caught in the protection snare to a far greater extent, quite likely to the tune of \$50,000,000

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yearly. When will men's eyes, understandings and hearts be opened to behold the truth and act upon it? A new gospel lying open on the surface of the old. Let us Canadians cease, at once and forever, trafficking in land, God's first priceless gift to man. Cease making gold the standard of our labor and our money, and cease borrowing from others. This is the threefold gospel, fitted as nothing else is or can be, to give national peace, prosperity, salvation, and redemption from debts. Free and right use of land. Free and right use of money. Freedom from the burden of mortgage debts. If Canada would adopt this new old gospel, Free Commerce would be the necessary accompaniment. Well would it be for her, if she did so with the vehemence she adopted Protection some seventeen years ago; well would it be for her indeed, and be some atonement for past transgressions.

The land and money questions, on their right basis, would each yield a large legitimate revenue, and be no burden. These, combined with a small poll-tax, typified in the old economy taxation, would become as simple as A B C, or the Rule of Three, and as easy to construct a system of direct taxation as to construct a word of three letters from the alphabet or solve a simple question in arithmetic.

THE TAXATION QUESTION

seems as much, if not more, misunderstood as the other two. Our present system by tariffs is most inexcusable at this time of day; a perfect monstrosity of abortion; a crying shame and disgrace for any Christian country to uphold, more especially when so simple and efficient plans are plainly indicated in the Old and New Testaments, which have been in the hands of Christians for 1800 years and more. Taxation should be for good and efficient government only. When for bad, and to uphold dishonest systems, it is robbery of the worst kind, because legalized. A nation divided against itself; the national unpardonable sin until it is stopped.

Many wise men affirm that men should pay taxes according to ability. This is not a correct principle and is misleading. We take it for granted all citizens can pay taxes for government. If paupers they are exempt. But for our "economic derangements" all industrious, honest men would have no difficulty in paying taxes. The only true and safe principle is: get good government; give good value for what is got; get good value for what is given; a mutual benefit. A nation should be a mutual benefit and not a mutual bribery society. Every citizen is supposed to pay what is needful to assure his life, limb, liberty and possessions, according

to his risk. They ought to pay an equal poll-tax for life, limb and liberty ; an equal share per acre of land tax for national protection and government ; an equal share according to property for municipal government. Me thinks the wisest amongst us, even the sage of Bothwell,—the Hon. David Mills—will admit this. To make the honest, frugal and industrious pay according to ability would be to make them help to pay the taxes of the dishonest, extravagant and indolent.

Free Commerce and Direct Taxation are fundamentally right. But for our going astray, initiating tariffs and other nonsense there would not have been so many poor and unable to pay taxes. It is a slur and stigma upon our national manhood that there should be so many such. Neither would there have been so many very rich men. By all means tax them when they die. It will be easier to do it justly when dead than alive. A death tax on the very rich would be perfectly fair, and is loudly called for—for a time—in order that some atonement be made for the past robbery which made some exorbitantly rich. If the systems indicated in the foregoing were put into operation, our Dominion yearly revenue could be secured somewhat as follows—say for ten years to come—and no one wronged but many benefitted materially, and all morally, by all tariffs being abolished :

Present revenue, other than from tariffs, say.....	\$ 8,800,000
Poll-tax of \$4 each on say 1,250,000 voters.....	5,000,000
Death tax on every one who dies worth over \$50,000, on a proper scale, average say of ten years.....	3,000,000
From money loaned by Government on real estate, say on \$250,000,000 at 2% average.....	5,000,000
Land tax on the 55,000,000 at 10 cents per acre.....	5,560,000
Railway companies lands, say 45,000,000, free for ten years to come.....	
	\$27,300,000

More than ample for good government. Along with it honest rulers, cheap land everywhere and always, cheap, sound safe, stable national money, and Free Commerce with its untold advantages.

The next ten years might be somewhat as follows :

Revenue other than from tariffs, say.....	\$ 8,000,000
Poll-tax, say \$3 each, on 2,000,000 voters.....	6,000,000
Death tax, average of ten years, say.....	3,000,000

From money loaned on real estate, say 6,000,000
 Land tax on 100,000,000 acres, at 10 cents 10,000,000

\$33,000,000

Expenditure under the new gospel dispensation, say . . \$18,000,000

Overplus for reduction on national debt \$15,000,000

During these twenty years the national debt would be well nigh extinguished. Contrast the foregoing with our present position :

Revenue from tariffs, say \$30,000,000

Revenue other than tariffs, say 8,000,000

\$38,000,000

Expenditure \$38,000,000

with no reduction of debts—rather an increase and a continuation of our abominable, desolating tariff system of taxation.

The amount of taxes we are now paying is something prodigious, and fearful to contemplate. There can be no doubt we are at least paying somewhat as follows, over and above municipal taxes :

	ANNUALLY.	DAILY.	HOURLY.
From tariffs that go into revenue	\$30,000,000	\$82,190	\$34.26
“ “ do not go to “	50,000,000	136,986	57.07
For interest on National, Provincial, Municipal debts, individual mort- gages, railway and other bonds, ..	25,000,000	68,493	28.53
Total,	\$105,000,000	\$286,669	\$119.86

Of the above \$30,000,000 goes into Canadian treasury ; of the above \$50,000,000 goes to Canada's few protected ; of the above \$25,000,000 goes to Britain mostly—a little to Canadians.

If Canada would observe the old commands—and what hinders her ?—about land and borrowing from outsiders, and her farmers transferred their present mortgages to our own Government, giving their present securities—which are the best possible—they would virtually be free of debt for all time ; that is, their mortgage debt would be no burden, and a blessing to the state, because the small interest—say 2%—would go to revenue. The revenue would be much better to the Government than the land, because it would be

occupied and worked by industrious citizens who were producing the material for the food, clothing and shelter, for the nation's use, and the money, too.

"THE PROFITS OF THE EARTH ARE FOR ALL."

The farmers are the great producers of wealth. They, the miners and manufacturers and workers, are the creators or originators of money. All others are only exchangers. What is sold by the producers over their own requirements is new money put into circulation for the good of all—a perpetual gift to the nation.

If in fifteen years from to-day, a thing which ought to be Canada's 100,000,000 acres alienated lands, were occupied by 1,000,000 families, and each worth \$4,000, and mortgaged to the government for \$2,000 each, even at 1% would be a revenue of \$20,000,000, and the farmers only paying 1% as long as they wished. Each farmer would have \$2,000 capital. Those who had mortgages could pay them; those who had no mortgage would have \$2,000 each to further improve and make their farms more productive. What a vista of probabilities is here opened up! The farmers would have much capital in their hands. They now manage their cheese-making and fire insurance operations by mutual co-operation. Why could they not extend the same principle to all other departments, and supply themselves with all their requirements? This would be the death-knell to the competitive system which few yet seem to see the remedy for.

The third ten years under the new gospel, our revenue and expenditure might be somewhat as follows:

Revenue from 1,000,000 mortgaged farms, at \$2,000 each, 1%.....	\$20,000,000
Poll-tax on 4,000,000 voters at the old time half-shekel or less, say 25 cents each.....	1,000,000
Land tax on 100,000,000 acres at 10 cents.....	10,000,000
Death tax abolished.....	
	\$31,000,000
Expenditures would not require to be over \$10,000,000, unless the people chose.....	\$10,000,000
Overplus.....	\$21,000,000

It thinks before that time Imperial Federation would be more than a dim shadow. If all the occupied lands in the British Em-

pire, outside the United Kingdom of little Great Britain and the Emerald Isle, paid only 5 cents per acre, and the prodigal son had "come to himself" and the merry-making over, and he paying an equal quota in his own way for Army and Navy purposes, the peace of the world would be guaranteed. A similar application of principles for Britain might help to solve the land and other problems there, if applied in their own way to suit their circumstances.

Could our money system be so changed without causing disorder? Certainly, and as easily now as at any other time, and that without any shock or injustice to any. No contract would necessarily be broken. Do it gradually. Our money now in circulation would all be good as long as it was in circulation. When the bank charters expired their bills would be exchanged for Dominion bills. The bank monopoly, at present, of paper money—some \$35,000,000—would be enjoyed by the nation. The government now issues about \$20,000,000 of paper money. They would then issue all the \$55,000,000, or as much—and no more—than was required to carry on the country's business. There would neither be a scarcity nor a plethora in the banks, nor a money panic.

Could the law prohibiting the trafficking in land be changed without causing great loss or injustice to individuals? Loss to some extent there would be to those who had paid for unearned increment in cities, but it would be much mitigated, if not prevented, by taking time. There need be no hurry in putting it in force. Pass a law confirming all titles, if need be, and that all tariffs shall cease at once, and substitute direct taxation, and that at the end of fifty years from the passing of the law it shall not be lawful to buy and sell the bare land at more than the annual taxes, nor less. The jubilee would then be sounded.

These changes could be so brought about without any upheaval of society or any injustice to any living man. It would be a gradual operation—a peaceful revolution. By these two changes some things very important, which need to be turned upside down, would be so turned. One of them would be the agricultural class. Those dependent on them, and all laborers, would enjoy the reward of their own labor. Our monied men and money lending institutions would find their profits curtailed, but none of them would be wronged by injustice. I don't know how many loan companies there are doing business in the Dominion, but there is a Land Mortgage Companies' Association of the Province of Ontario, comprising thirty-six companies, representing an aggregate paid up capital of \$27,000,000, with assets of \$107,000,000. I opine their business

would decrease and some of them cease to exist after a time, but no injustice would be done them such as the farmers have suffered and are suffering. They would be sure of interest—but not usury—on their money by having secured to them interest without working for it, same as other men who had money to spare. The interest they would get would just be what it was worth to the nation.

Let Canada's WISE MEN CONSIDER wisely the two great questions of Land and Money. They are the great questions of the day the world over. On the two great commandments, "Love to God and Love to Man," hang all the law and the prophets. On the land and labor commandments hang much, viz.: the peace, the purity, the prosperity, and the salvation of nations.

"SAY NOT THOU WHAT IS THE CAUSE THAT THE FORMER DAYS WERE BETTER THAN THESE? FOR THOU DID'ST NOT ENQUIRE WISELY CONCERNING THIS."

"THE WORDS OF THE WISE, HEARD IN QUIET, ARE MORE THAN THE CRY OF HIM THAT RULETH AMONG FOOLS. WISDOM IS BETTER THAN WEAPONS OF WAR."

"A POOR MAN, BY HIS WISDOM, DELIVERED THE CITY."

Let us hear the conclusion of the whole matter :

"FEAR GOD AND KEEP HIS COMMANDMENTS, FOR THIS IS THE WHOLE (DUTY) OF MAN."

This is the panacea in a nut shell. In order to fear God we must know Him. In order to keep His commandments we must know them. How can we ever know either Him or His commandments except by reading His word—upon our knees—and asking His aid to understand and apply His word in daily life?

The United States and Canada—the wayward son and daughter—have much to learn yet from the old economy, popularly styled old with a supercilious sneer, as being obsolete and passing away. Most of our national and continental troubles have been caused by neglecting the old commands about rulers, land, money, interest, usury, and borrowing and lending. We profess to have obeyed the voice from Heaven, "HEAR YE HIM?" To some extent we obey Jesus Christ, but we have practically deserted and disbelieved Moses.

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"IF YE BELIEVE NOT MOSES AND THE PROPHETS, NEITHER WILL YE BE PERSUADED THOUGH ONE ROSE FROM THE DEAD."

"REPENT YE, FOR THE KINGDOM OF HEAVEN IS AT HAND."

If our Brother Jonathan had been a good boy these many years back, and reciprocated the mother and daughter's and sister's good will to him, Britain and America would have kept the peace of the world and ushered in the millenium. Never was complete harmony more needed. They could and would have said to the "Sick Man," die ; or give Christian government to bleeding, butchered Armenia, the cradle in which they were rocked. Whenever Britain was in the right in her difficulties with the nations of the world, America would have been at her call, with her iron sides and plenty of money, too. If Canada and the United States would join hands, commercially only, and adopt Godly for Godless rulers where need be, and Free Commerce with the world, it would be as life from the dead. Profitable for "the life that now is, and of that which is to come." It would be profitable, also, meantime, to appoint a joint commission to enquire into and find out the best form of direct taxation, to take the place of tariffs. If they did so it would be exercising common sense, that paradoxical thing which everybody has, and yet none seem to have got on taxation matters. If they did so, the prospect for a bright beginning of the twentieth century would be cheering. At present things look the other way. Many are predicting great changes in the world. "When the yeast of the twentieth century begins to work we may expect some remarkable additions to the story of this planet."

